

A REPORT

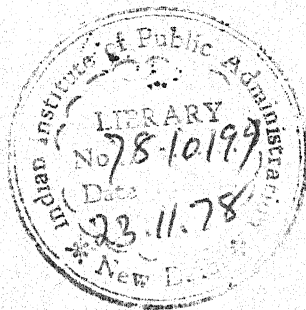
ON

THE ORGANISATION & MANAGEMENT SURVEY

OF THE

DEPARTMENT OF TOURISM

MINISTRY OF TOURISM & CIVIL AVIATION



INDIAN INSTITUTE OF PUBLIC ADMINISTRATION
INDRAPRASTHA ESTATE, RING ROAD,
NEW DELHI - 1.
1970

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INTRODUCTION

Tourism has proved itself to be the world's largest and fastest growing industry, but its significance has only been fully recognised in recent years. By setting up the Department of Tourism in 1958 and including tourism planning in the overall National Plan, from the Second Plan period, the Government of India showed great foresight. As a result, Indian representatives have in the last decade played a significant role in obtaining international recognition for tourism as an industry.

2. After vigorous action to establish a headquarters organisation and field offices at home and abroad, the Department has in the last five years found it difficult to grow fast enough to keep pace with the dramatic developments in the international tourist market and the steadily increasing flow of tourists. The pattern of the organisation remained relatively unchanged and until imaginative action was taken to evolve a closer working relationship with Air India in Europe, no new offices were opened. Even the creation of an independent Ministry of Tourism & Civil Aviation on 31st March, 1967, had little real impact on the organisational framework of the Department. The major advantage this gave was that tourism now had a voice in the highest counsels of the nation.

3. As a result of difficulties in arriving at a proper assessment of the type of organisational structure and a proper staffing pattern for the Department of Tourism, Government of India in March, 1969, requested the Indian Institute of Public Administration to conduct "a survey of the present work flow, staffing patterns and management techniques" and after conducting the survey and analysing the data, to submit a report "making recommendations on the modifications which should be made in the staffing pattern, recruitment rules, training facilities, methods of work and relationship with other agencies so that the objectives of the Department are best achieved with particular reference to publicity and promotional aspects of work and co-relation with various public and private agencies".

4. In pursuance of this, the Survey Team of the Institute commenced the survey in the last week of March, 1969. The Team:

- (i) obtained and read through background data on existing organisational structure and functions (Appendix I) and various reports etc. on the activities of the Department;
- (ii) held extensive discussions with officers of the Department;
- (iii) obtained comprehensive itemised statements of the various functions performed by the officers and made extensive case-studies;

- (iv) visited the Regional Offices at Bombay and Delhi and the field office at Jaipur; and
- (v) held discussions with some of the leading hoteliers, travel agents, Directors of Tourism Maharashtra and Madhya Pradesh and with the Managing Director of the India Tourism Development Corporation.

5. Based on the analysis of the data collected and the discussions held, the team drew up tentative conclusions. Before finalising the recommendations, the tentative conclusions were discussed in a series of meeting with the officers concerned at the headquarters.

6. The IIPA Team has looked at the problem of the adequacy of the present organizational structure and functions of the Department from the widest perspective of world tourism rather than the narrow dimensions of the existing governmental structure. For this reason we secured the counsel of a world-recognised tourist expert, Mr. T.J.O. Driscoll, who piloted the spectacular success of the Irish Tourist Board as its Director-General.

The IIPA also had the benefit of the advice from Prof. Krishnaya, Indian Institute of Management, Ahmedabad, on formulation of the problem in drawing up the general framework of the report.

The Consultancy Team when initially constituted in March 1969 was composed of as follows:-

Shri V. S. Desikachari	...	Consultant
Dr. S. P. Verma	...	Senior Research Associate
Shri S.E. Bhardwaj	...	Analyst
Shri B.C. Bhasin	...	Analyst
Shri R. B. Puri	...	Research Officer

Shri Desikachari, who headed the Consultancy Team, was recalled by his parent Department in September 1969. Before he left, much data had been collected and analysed. With his wide and long experience of the use of work study and other techniques for streamlining and improving administrative organizations, Shri Desikachari provided the Consultancy Team with insights into matters of administrative details. After Shri Desikachari's departure, Dr. S.P. Verma, under the overall guidance of the Institute's Director (Dr. J.N. Khosla), shouldered the responsibility of finalising the report from the wider perspective of achievement of organizational goals. The Consultancy Team wishes to place on record its high appreciation of the invaluable guidance

v.

and assistance received from Shri S. K. Roy, Director General of Tourism. The Team is also indebted to other officers of the Department for the unreserved cooperation extended by them. It would like to thank as well colleagues in the Institute and its Director (Dr. J. N. Khosla) for professional help given from time to time.

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THE INDIAN INSTITUTE OF PUBLIC ADMINISTRATION
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July 9, 1970.

Dear Dr. Karan Singh:

I have much pleasure in forwarding the final report of the IIPA Consultancy Team on Organisational and Management Survey of the Department of Tourism, Government of India. We have not made any change in the final draft submitted to you earlier along with my letter dated 30th March, 1970.

2. We hope that the reorganization proposals contained in this Report would be found useful by the Government for attuning the Administrative set up of the Department and enhancing its organizational capability to meet the projected growth of tourism in India during the seventies. Indeed, I was glad to learn from the Director-General that some of our proposals have already been considered favourably by the Government.

With kind regards,

Yours sincerely

Sd/-
(J. N. Khosla)

Dr. Karan Singh,
Minister of Tourism & Civil Aviation,
Government of India,
NEW DELHI.

CHAPTER I

PROSPECTS FOR INDIAN TOURISM

Tourism as a factor of international trade has reached such dimensions that in 1968 it grossed \$ 14 billion, roughly twice that of the world's oil industry. Although this is relatively new phenomenon, its growth will continue as paid holidays lengthen and incomes rise. A country like Italy with a long tourist tradition now earns roughly \$ 1.6 billion annually. In recent years, dramatic increases in tourist traffic have developed in Spain, which now annually earns about \$ 1.8 billion. U.S.A. receives the largest earning from tourists, \$ 1.82 billion in 1967, with tourism as the 2nd largest foreign exchange earner coming only after the export of cars at \$ 2.2 billion. Eire (population about 8 million) earned roughly £ 100 million sterling in 1969.

2. International tourism is still largely between developed nations but there are hopeful signs of a steady increase in visitors to developing countries and, as Dr. T.J.O 'Driscoll's report "Organising for Tourism" indicates, tourism provides a positive flow of money from the developed countries to developing and from more

developed regions to less developed regions within the country. In India, recent statistics obtained from a sample survey by the Indian Institute of Public Opinion indicate that the average tourist spends 42.1% on board and lodging, 28.2% on shopping, and 26.3% on internal transport. But this only represents direct expenses. The major benefit to an economy comes both from direct foreign exchange earnings and, less tangibly though perhaps more significantly, from the turnover of tourist expenditures.

The Multiplier Effect

3. According to a recent U.S. Department of Commerce estimate, a tourist's payment will change hand more than three to four times. The cause of this turnover is clear. When a tourist buys a silver necklace, the merchant orders a replacement. The necklace maker buys more silver in the market. As more tourists buy, merchants employ new hands. As employment increase, tea shops, food stores, and cloth merchants get increased business. A tourist's rupee, once spent, has a multiplier effect. His spending becomes a boon not only to cottage industries, hotels, transport, restaurants and stores but also to workers and their families.

The actual multiplier depends essentially on the extent of local expenditure and is related to either the independence of a particular economy or the restrictions imposed on imports. For Pakistan an IUOTO study places the tourism multiplier figure at 3.3. The Tourist Department's adoption of 3.5 as India's multiplier is appropriate but perhaps on the low side.

4. In India, as has been demonstrated in other countries, tourism can become a major source of foreign exchange and an important factor in generating employment and income in non-industrial areas, and in those with limited commercial opportunities. This would help achieve our national objectives of development of remote areas and promote social equilibrium. Clearly, tourism has to be recognised as a key industry in the national economy. Tourism has already contributed significantly towards bridging the foreign exchange gap. In 1969, the encouraging figure of 245,000 tourists, representing a 30% increase over 1968, earned Rs. 33.11 crores.

Need for improvement

5. Unfortunately India has not done as well as some other countries in the keen struggle to attract foreign visitors. While world tourist expenditure increased 24%

from 1958 to 1967, India's share in this fell from 0.67% in 1958 to 0.24% in 1967. On the other hand, countries like Yugoslavia and Greece between 1952-62 increased their share by about 900%.

6. What is the reason for India's poor showing? For most foreign tourists a visit to India is more like pilgrimage than a holiday. Except for the all too few exceptions, accommodations are spartan, recreation limited, food undistinguished, and goods and services range from fair to good. Present facilities and services must be improved and as the number of tourists increases, accommodation must be increased rapidly and improved. Tourism is more than people visiting other countries. A tourist holiday is a compound purchase of travel, accommodation, catering, entertainment and other items.

7. Although there is aggressive competition among nations to attract foreign visitors, there is as yet no complete comprehensions of all the factors guiding his purchases and itinerary. However, it is becoming apparent that a country that wishes to do well in the tourist trade must identify what these travellers want, provide what

they want and then aggressively promote and sell its attractions and facilities. One factor that market research has identified is that tourists want a holiday feeling; a sense of adventure and visiting new places, and a desire to get away from day-to-day cares and anxieties. India's various regulations and restrictions are not conducive to this. Only a more pragmatic approach and a dynamic programme can win India its rightful place in the highly competitive world tourist market, a programme based on consumer (tourist) satisfaction identified through market research, development of services and facilities to meet tourist wants, and sound marketing procedures.

Promotion of Tourism

8. The original plan projection prepared by the Department for the Draft Fourth Five-Year Plan on Tourism was calculated on the basis of 600,000 tourists by 1973 as this was the policy target fixed. However, a later projection brought this down to 380,000 tourists. Lastly, a Boeing survey for South East Asia arrived at a figure for India of 416,000 visitors by 1973. Separately, the Hotel Review and Survey Committee, 1967, estimated 600,000 tourists

by 1978 and based their projections on required hotel rooms on this figure. Following substantial cuts in plan allocations to Rs. 25 crores, the Department revised its targets and again adopted a target of 400,000 tourists.

9. We consider that given the proper organisational structure and emergency planning for increased facilities, India could readily reach the Boeing projection 416,000 visitors by 1973 and indeed exceed it. Based on the estimate calculated by the Institute of Public Opinion with an average tourist now spending about Rs. 1,360 here, India would earn Rs. 55 crores in foreign currency in 1973. This would be further augmented by income from Air India ticket sales.

10. In countries like Mexico and Spain tourism represents between 45 and 50% of the total export earnings and even in the U.S.A. and U.K. earnings from tourism stand 2nd and 4th respectively in order of export earnings, whereas in India tourism is progressively decreased from 9th in 1966 to 12th in 1967 and 13th in 1968. Hopefully, 1969 will mark a new upward trend.

The Tourism Organization

11. The first premise for increased tourist traffic must necessarily be adequate technical facilities to receive them. In addition, the required targets can only be reached if the national tourist organisation has all the necessary resources, competent staff, adequate funds and the necessary freedom to operate.

12. The present annual budget of the Department of Tourism is Rs. 2,36,60,000. Of this roughly Rs. 1 crore is spent on tourist publicity, and roughly Rs. 65 lakhs on the Tourist Offices abroad bringing the total promotional budget to roughly Rs. 11.65 crores, of which roughly Rs. 1.2 crores is in foreign exchange. The overall figure represents about 5% of the foreign exchange earnings, or the minimum acceptable requirement in more developed economies. However, if the number of tourists has to be increased from 245,000 in 1969 to 416,000 by 1973, Government must plan to increase the promotion budget accordingly. Since this is the beginning of a major tourist promotion, and higher promotional expenses are inevitable in the initial stages, at least 10% of the

foreign exchange earnings through tourism could be made available for the promotional effort, quite apart from other urgently expenditures internally, to strengthen the organisation to cope with this increased promotional effort.

A Quality Programme

13. Estimates of the increase in tourism over the next decade are staggering. Air travel the world over has been growing on an average 13.5% a year since 1961, according to IATA and the volume is expected to double by 1970, triple by 1975. In the coming decade with the introduction of Jumbo Jets, traffic to India would also increase. Given the proper proportional selling efforts and emergency action to provide what is called the tourism infrastructure, it should be possible to reach a target of 500,000 tourists by 1973, if not actually come close to the original target of 600,000 tourists. However, additional funds would be needed for a programme of quality.

14. Equally important, Indian Tourism marketing should be directed towards potential tourists of quality - those likely to stay longer and to spend more. In view of the potential growth of tourism in the coming years, the national tourist organisation should be one which is

capable of tackling and coping with the multitude of problems, keeping in view the broad objectives and the goals of tourism development in this country.

In a nutshell the objectives to be kept in view would be:

- a. to promote visits of maximum number of foreigners to India to enable it to earn as much foreign exchange as possible;
- b. to develop a suitable organisational pattern which would make a break from the traditional ways of running the government department and adopt a more positive and dynamic marketing and promotion approach in India and abroad;
- c. to structure various schemes of the organisation in such a way which would provide for flexibility of action, quick decisions, innovations and the capability to compete vigorously in the highly competitive international tourism industry;
- d. to locate, obtain and retain the services of the best talent needed for the development and implementation of the tourism programme unencumbered with various routine procedures and rules.

- e. to pay the need professional staff salaries commensurate with their abilities and expertise and lucrative enough to attract such personnel^{from} from whichever avenue they are obtainable;
- f. to develop "products" which would attract foreign tourists to this country and to take vigorous measures in finding out potential market and selling the products;
- g. to obtain financial latitude within the budget provision which will accelerate developmental programmes on an emergency basis; and
- h. to establish and develop close and continuous working relationship with all segments of tourism industry whether in public or private sector.

15. In order to achieve these objectives, India should give top priority to the development of tourist facilities in the country and the promotion of foreign tourism. Only a forward-looking, research-based, and result-oriented modern organisation with best available professional staff can do the job. To attract the best personnel in the field, pay and facilities at commercial rates have to be offered.

16. The recommendations that follow in the subsequent chapters are aimed towards building this programme of quality over the next few years. The benefits of such a quality programme will contribute significantly to accomplishment of India's long range social and economic goals.

CHAPTER II

PROPOSED ORGANISATION

17. The major problem on which the Study Team gave considerable attention is whether the Department of Tourism's present organisational structure is suited to operate a quality programme for attracting tourists in the world's most competitive market. The emergence in 1967 of the new Ministry of Tourism & Civil Aviation brought about greater understanding and cooperation between almost all the organisations involved in dealing with the tourists: the two national airline corporations and the Tourist and Civil Aviation Departments. But the governmental framework in which the Tourist Department operated has not shown the necessary flexibility to meet the kaleidoscopically changing tourism market.

18. What was an imaginative organisational set-up in the initial stages before tourism became a major world industry, could have meant virtual stagnation for Indian tourism, but for the dedicated work of a small handful of people in the Tourist Department. The task is now too big. There are too many bottlenecks - organisational and procedural: and the position of the tourism department as an attached office has hampered its capacity to handle the

desired accelerated growth of tourism and to fulfil plan targets. The shortfalls in expenditure during the 2nd and 3rd plans are an indication that the present structure and procedures are not adequate to cope with the increasing number of foreign visitors, and to provide them with necessary facilities.

19. In some instances the Director General of the Department has been handicapped because of financial stringencies imposed on him by the system of Associate Finance. This leads to curtailment of his freedom of action, and prevents him from being an effective Head of the organisation in pushing through his plans and proposals. Important policy matters of the Department have to be processed in the Ministry. A very vital question is whether on such matter the Director General as the Head of the organisation has direct access to the Minister to advise him. It seems that the Secretary of the Ministry at present acts as an intermediary. This poses the problem of authority and responsibility. The Director General is responsible for the activities of the Department, but it is doubtful whether he possesses all or even adequate final authority.

20. In view of the magnitude and dimensions of the global tourists explosion now and anticipated in the coming decades, we feel that the problem of evolving an organisational structure suited to modern promotion and marketing methods requires a fundamentally different approach. India needs a tourist organisation which will take vigorous and effective measures to sell a competitive 'product' throughout the markets of the world.

Department's Comment

21. We agree generally with the Department's thinking in regard to the present organisational structure as reflected in its note to the Estimates Committee in 1969:-

"It is the considered view of the Department that the present organisational set-up has in the past decade proved that it is not properly equipped to handle an area as potentially vital to the national economy as tourism. The question of reorganising the structure has been discussed in many aspects without finding a really satisfactory formula. However, as the commercial aspects seem to have predominant priority, the India Tourism Development Corporation has been completely reoriented and so organised as to ensure that progressively the overall purely commercial aspects show a profit".

"The promotional side has benefitted from this reorganisation but as the operations are not directly profit-giving, the Department finds itself as a subordinate office, sandwiched between the Secretariat aspect in the Ministry and the Finance side through the Financial Adviser. Various aspects are being considered to give the whole operation greater independence and bring to it the type of commercial orientation it should have in terms of commercial development and selling of India as a tourist centre and a tourist destination. Simultaneously, it is desired to involve, to a greater measure, the commercial elements who benefit most directly from tourism such as hotels, travel agents, transport operators, etc., with this in mind, some sort of a cess on their turnover provides potential additional funds to the sadly inadequate resources now at the disposal of the department".

Estimates Committee

22. The Estimates Committee while examining this problem came to the conclusion that the present organisational set-up of the Department was not attuned to developing tourism. It felt that "an effective and efficient Central Organisation has to be set up to create a strong tourism

consciousness at all levels of administration and to formulate well-thought-out proposals and policies for the development of tourism in the country with proper co-ordination and liaison between the central tourist organisation, the state tourist organisation and the business community involved".

23. As a result of our study of the present structure, methods and procedures, we are in full agreement with the conclusions of the Estimates Committee. What is needed is a single organisation, a national tourist authority primarily designed for a marketing and sales approach, which will both sell its 'product' in the world market, and provide competition through vigorous incentives such as tax rebates, loans and grants etc., to travel trade and travel agencies. It should ensure proper servicing of the tourist industry by locating field offices strategically where there is maximum tourist traffic and by co-ordinating activities with state governments.

25. The present departmental set-up with all its bureaucratic rules, procedures, and financial constraints clearly does not permit initiative in undertaking the dynamic promotional activities mentioned above, and putting

India tourism on the world map. The organisational structure should combine the flexibility of a commercial organisation with the legal authority of Government for regulating the tourist industry and ensuring cooperation of other central departments, State Governments, and local administration. In this connection we have examined the various types of organisations such as the corporation, the Commission and the board which could adequately answer to the organisational needs mentioned above.

25. The Study Team also reviewed the structure of tourism organisations in other countries and consulted the Director General, Irish Tourist Board on this problem. The Team also examined existing Government of India organisations that might be adapted to the needs of tourism. In this report, it is presenting two quite different models for a reorganized tourism organisation. The first is an organisation which would be set up outside of Government in the Public Sector. The second is a proposed reorganisation of the Department to enable it to perform more aggressively its functions. We call the first "A Public Sector Model" and the second "A Model for Reorganization".

A Public Sector Model

26. The Study Team brought to India Mr. T.J.O 'Driscoll, Director General of the Irish Tourist Board. After examining the present organisation, he recommended the creation of a new public sector undertaking the non-commercial functions of which would be funded through Government appropriations. His proposal is summarized here:

The Minister of Tourism and Civil Aviation would have control of the new tourism body through his power to nominate the members of its Board of Directors and the review of its budgets. The Minister would also review tourism activities for conformity with general government policy, making representations to other Departments on tourism matters, review annual reports on tourism and appraise the effectiveness of tourism programmes. A small cell would assist the Minister in these matters but it would not in any way be a supervising unit.

27. The functions of the present Department of Tourism and the India Tourist Development Corporation would be transferred to a new India Tourism Board, headed by a full-time Chairman-cum-Chief Executive. The Board would have 5 part-time members who would weight, assess and discuss the matters brought before them and formulate policy. The Chairman-cum-Chief Executive would keep the

Minister informed about the Board's policies and objectives so as to assure him of their confirmity with overall government policy.

28. Full executive responsibility for the operation of the staff and programmes of the India Tourism Board would be placed in the Chairman/Chief Executive. Non-commercial programmes related to the promotion of tourism would be placed under one General Manager and commercial aspects under a second General Manager: both reporting to the Chief Executive.

Charts I, II and III show the organization of the proposed public sector model of the India Tourism Board, as recommended by Mr. Driscoll.

A Model for Reorganisation

29. Considering that the concept of an India Tourism Board as a public sector undertaking had considerable merit, the Study Team also looked into the feasibility of establishing such an organisation within the Government. The Team closely examined two Government organisations which have been given statutory powers viz., the Railway Board and the Atomic Energy Commission set up under the Indian Railway Board Act 1905 and the Atomic Energy Act 1948 respectively. A brief overview of their structure, functions and powers is given below:

Railway Board

30. The Railway Board functions as a Ministry of the Government of India and exercises all the powers of the Central Government in respect of regulation, construction, maintenance, and operation of Railways. The Railway Board also exercises full powers of the Government of India in regard to railway expenditure. In addition, the Railway Board has a wide range of powers in establishment and other matters as provided for in the various Indian Railway Codes. In its organization, therefore, the Railway Board is self-contained in all matters, including financial, and does its own recruitment, but its pay structure lacks flexibility.

Chairman, Railway Board

31. The Chairman, Railway Board is responsible under the Railway Minister for arriving at decisions on technical questions and advising the Government of India on matters of Railway policy. All policy and other important matters are put up to the Minister through him. He has the status of a Principal Secretary to the Government of India, and has the power to over-rule the other members of the Board except the Financial Commissioner in matters of finance.

The latter has the right to ask a disputed financial matter be referred to the Railway Minister, and if necessary, to draw the attention of the Finance Minister to it.

Members of the Railway Board

32. The Members of the Railway Board function as ex-officio Secretaries to the Government of India and are responsible for dealing with all aspects of the technical functions, under their charge. Where a question impinges on the functions of another Member, his concurrence is necessary before orders are issued.

Atomic Energy Commission

33. The Atomic Energy Commission functions through the Department of Atomic Energy which was created with effect from August 3, 1954 and was charged solely with the development of Atomic Energy. The Atomic Energy Commission was reconstituted in March 1958 with full authority to plan and implement its programmes on sound technical and economic principles. It was freed from essential restrictions and rules and given full powers of the Government of India both administrative and financial within the limits of the budget provisions allocated by the Parliament. In view of the fact

that the Commission requires highly skilled and professional staff for its special nature of work, it is freed from the usual governmental rules and procedures for recruitment of its personnel through the U.F.S.C., and has great flexibility in fixing pay scales and promotions.

34. The orders for reconstitution of the Atomic Energy Commission provided that "(a) The Commission shall consist of both full-time and part-time members, the total number of whom shall not be less than three and not more than seven; (b) The Secretary to the Government of India in the Department of Atomic Energy shall be the ex-officio Chairman of the Commission; (c) Another full-time member of the Commission shall be the Member for Finance and Administration, who shall also be ex-officio Secretary to the Government of India in the Department of Atomic Energy in financial matters; and (d) The Director of the Atomic Energy Establishment, Trombay shall be third ex-officio full-time member in-charge of research and development". The Atomic Energy Commission now formulates policy of the Department of Atomic Energy but all recommendations are put up to the Prime Minister through the Chairman who has the power to override the other members of the Commission. The Commission is responsible for preparing the budget of the Department and for the implementation of Government's atomic energy

policy. However, the Chairman of the Atomic Energy Commission in his capacity as Secretary to the Government of India in the Department of Atomic Energy, is responsible for arriving at decisions on technical questions.

Pros and Cons

35. The Railway Board and the Atomic Energy Commission as Government enterprises establish important precedents. To both, full powers of Government are delegated for programmes and financial matters. In both, Parliamentary control is exercised through a Minister. Thus considerable freedom for quick decisions and rapid implementation is provided to these organisations with, however, full accountability to Government and Parliament. On the other hand, a public sector undertaking is one step further removed from positive, direct control. It has these same freedoms but in addition is in theory at least more independent in day-to-day operations and in planning pricing policies, staffing, and the like.

36. Constitutionally, a perusal of the Union, State and Concurrent List clearly indicates that while foreign tourist is subjected to the jurisdiction of the Union Government, facilities and services are largely subject to regulations and taxes of the State. Thus the Central

Tourism Organisation faces problem peculiar to itself, those not found in public sector corporations. Its operations specially those relating to development and control must be achieved with help from and cooperation with other Ministries and departments at the Centre and in the States.

For example, foreign tourists must be dealt with as special guests by customs officers, immigration officials, health officials, airline employees, railways employees, and many others. Tourists will use a variety of facilities operated or built by such diverse organisations as State Governments, Archaeological Survey of India, P.W.D. and private companies. Their visas will be issued by the Department of External Affairs and their movements in India will be governed by the Ministry of Home Affairs and States.

37. In short, the objectives of tourism require immediate and frequent relationships with State Governments and other Central Ministries and Departments that are far more extensive than would be found in a public sector corporation. The Study Team concludes that the national Tourism agency must remain with Government.

Commission or Board?

38. In the light of recommendations of the Estimates Committee that tourism be operated with the freedom of a commercial organisation and the Study Team's recommendation that the functions remain with Government, the question arises as to whether new organisation needs a board or commission, whether the members should be Government officers or not, and what their functions should be. The Railway Board's members are full-time Government officers and those of the Atomic Energy Commission are both part-time and full-time. Each is concerned with both policy development and day-to-day operations.

39. Therefore, in drawing up its recommendations on the proposed restructuring of the Department of Tourism, the Study Team has drawn lessons from the working of these two governmental organisations in the context of the working of autonomous tourist organisations in other countries allowing for the special exigencies of India's federal structure and the anomalous constitutional position of Tourism, which is under central jurisdiction but in which local operational authority also vests in the States.

Recommended Organisation

40. If Government wishes to base its final decisions on the existing model, the Study Team would favour the continuance of India's Tourism Organisation as part of Government, and not become a public sector body because of the duality of the organisation's role. It is predominantly highly competitive in its promotional and sales role but simultaneously substantially dependent on Government authority in its task of developing the infrastructure and providing facilities for tourists. However, tourism would appear to provide the Government with such a challenging task that it should be possible to apply broadly the structure of the two largely independent organisations, the Railway Board and the Atomic Energy Commission, to the recommendation of the Estimates Committee that Tourism be operated with the freedom of a commercial organisation. This can be done by creating an independent tourism organisation and providing that while it has the autonomy of operation, its Chief Executive would retain the rank of Secretary in the Ministry of Tourism and Civil Aviation to handle coordination with Ministries of the Government of India and with State Governments, ensuring thereby that the incumbent has both sufficient flexibility, and the authority vested in him by virtue of his having ex-officio status of Secretary to Government.

41. The Study Team recommends that the National Tourist Organisation be named India Tourism Authority headed by one man - The Chairman-cum-Chief Executive (Ex-officio Secretary of Tourism). This measure will permit quick decisions, fix responsibility for action and approximate the flexibility of commercial organisation. If necessary the India Tourism Authority may be clothed with statutory powers (See Chart IV).

Chairman-cum-Chief Executive

42. For the post of the Chairman-cum-Chief Executive the Government should obtain the services of a person with top professional competence and should pay what is required to get such a person on competitive commercial salary.

43. We recommend that Government-select for the post of an officer who is known to be dynamic, innovative, creative and imaginative. He should have had successful experience in supervising professional and technical staff and have demonstrated capacity to stimulate high quality performance. He should have the willingness to delegate responsibility to his subordinates. Preferably, he should have at some time travelled-abroad and lived in a developed country.

44. We recommend that the Chairman report to the Minister of Tourism and Civil Aviation and advise him on important tourism policies.

45. We recommend that the India Tourism Authority must develop and be run on modern commercial lines with full responsibility placed on the Chairman for supervision, direction and performance of the staff of the Tourism Authority. His should be the responsibility for immediate and long range planning, for organizing the programmes and work, for staffing, for coordination within and without, for preparing budgets, for drafting reports, for maintaining controls, subjects to Ministerial direction and Government policies. The Chairman as the Chief Executive would head an executive team of 3 or 4 top professionals of proven competence in tourism and allied fields, providing collective wisdom to the organisation.

Finance

46. We recommend that the post of Financial Controller/General Manager, Finance, Personnel and General Services be created in the new India Tourism Authority and that he report directly to the Chairman. In the present stage of the development of tourism, the role of the Financial Adviser assumes great importance. Like the Atomic Energy Commission,

it would be desirable to establish the system of internal Financial Adviser who as a financial expert would be directly accountable to the Chief Executive with no direct access to any external governmental body. The General Manager, Finance, Personnel and General Services should be a man committed to the organisation and its programmes and not function as an agent of some other organisation performing the role of a fault-finder. The present system dilutes the authority of the Chief Executive and leads to unnecessary irritations, delay in the execution of programme, hesitation in taking decisions and getting bogged down in the various financial rules and procedures, which is not conducive to obtaining the desired results in fulfilment of the programme.

47. We further recommend that the General Manager, Finance, Personnel and General Services develop and seek approvals as necessary of delegations to the Chairman of the Authority to authorize and make expenditures as budgeted, to change funds from one account to another within the total amount budgeted, to enter into contracts etc. for the fulfilment of all marketing promotional and development operations of India Tourism Authority.

Tourism Advisory Council

48. The Chief Executive succeed to the extent that he can get cooperation from many different groups in India, groups with which he can best work in a free partnership aimed at increasing tourism rather than a regulatory or licensing relationship. The Chief Executive would benefit therefore if he could develop a close relationship with experts from a wide variety of fields who could advise him on how tourism can be increased and advise the tourism trade on how they can best cooperate with Government to achieve common goals.

49. The Study Team recommends, therefore, that an advisory group called the India Tourism Council be established with the Chief Executive (ex-officio Secretary) as its Chairman. The Council would advise him on such matters as relations with the travel trade, foreign airlines, advertising agencies, hoteliers, foreign governments, and writers and publishers who reach potential visitors. They would advise on how best to create imaginative tourism programmes and how to sell these to Government and private organisations in and outside India. The members, of the India Tourism Council would bring to the Council special knowledge from different fields and

carry back to these fields information about tourism programmes old and new, to be of greatest value in promoting tourism.

50. The Study Team, therefore, recommends that the members of the India Tourism Council be chosen from a variety of fields, such as:

- .. the hotel industry
- .. the travel trade
- .. communication media (advertising, etc.)
- ... transportation companies (airlines, etc.)
- .. traders (curios, handicrafts, etc.)

Each should be selected for his knowledge of a field related to tourism and his reputation among others in his field. No member should, however, be a representative of an organisation or a field. To be a representative would limit the advice they could give. To serve as individuals will permit them to give promptly their opinions and suggestions without obtaining concurrence from others.

51. The Study Team recommends that members be appointed for three years overlapping terms, the duration of the terms of the first members to be determined by lot. Members would be appointed by Government on advice of the Chairman of the Authority. We would expect a convention to be

established that the Chairman would propose to the Minister a panel of names of several persons for each vacancy to be filled. In preparing his proposals he would draw upon his knowledge of tourist industry and when necessary consult with office bearers of Hotel, Travel Trade and other organisations and knowledgeable persons to identify the persons capable of giving the advice needed.

52. We recommend that the Chairman be responsible for calling meetings of the India Tourism Council but that a convention be established that it will meet at least three or four times annually. The Chairman should be responsible for preparing the agenda for the meeting and may consult with his members as to items of agenda they would like to have included. The Chairman may bring to the attention of the Council such things as:

- .. estimates of earned foreign exchange
- .. major promotions
- .. public relations programmes
- .. special problems on which advice is needed
- .. annual budgets.

53. The Council in advising the Chairman on these matters should comment on the adequacy of the proposals, their probable effects on tourism, the public relations problems

that may arise and the strategies likely to be most successful etc.

The Commission and the ITDC

54. The India Tourism Development Corporation, established on the first of October, 1966, undertakes to operate commercial tourist facilities such as the running of tourist bungalows, hotels, motels and restaurants, luxury sight seeing coaches, Son-et-lumiere, and other entertainment.

55. The Study Team has not gone into the detailed working and operations of the ITDC. However, it took the opportunity of discussing the broad working of the Corporation with its Managing Director. We feel that the separation of commercial aspects of Tourism in public sector corporation from the promotional aspects is logical and desirable. We recommend that this be continued and that from time to time the proposed India Tourism Authority be asked to advise on which Government ventures have profit-making possibilities and may, therefore, be transferred to the Corporation.

56. In view of the fact that India is still in the process of building an adequate infrastructure for tourist facilities in the coming years, it is desirable that initially some of the seemingly un-economic ventures having the potential of

bringing in increased return in the later years, may not be looked at from a restricted profit-making point of view.

57. Although the Corporation should retain its separate status, there should be a close relationship constantly maintained between it and the India Tourism Authority. At present in matters like production of publicity material etc. there seems to be a split responsibility as pointed out by Dr. O'Briscoll in his report. In order to do away with such anomalies and to bring in greater coordination between the ITDC and the India Tourism Authority we recommend that the Chief Executive of the Authority (Ex-officio Secretary to the Government) be appointed as a part-time Chairman of ITDC. In this capacity, he would be responsible for such Corporation-related activities as parliamentary questions, reviews of requests for additional capital, long range plans, annual reports, advice on Government policy, issuance of directives, and coordination of Corporation activities within the Ministry and with other parts of Government.

Details of the Proposed Organisation

58. In the following Chapter, the Study Team has given details about the operations of the Department after its reorganization on the lines proposed above.

CHART I

A PUBLIC SECTOR MODEL

FOR

AN INDIAN TOURISM BOARD

Overall Organisation

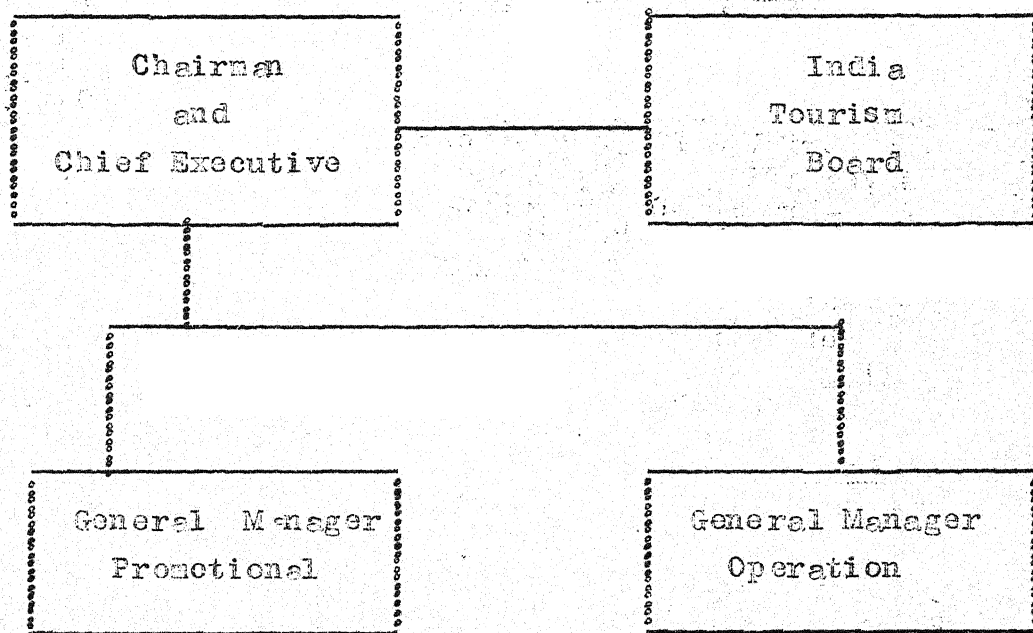
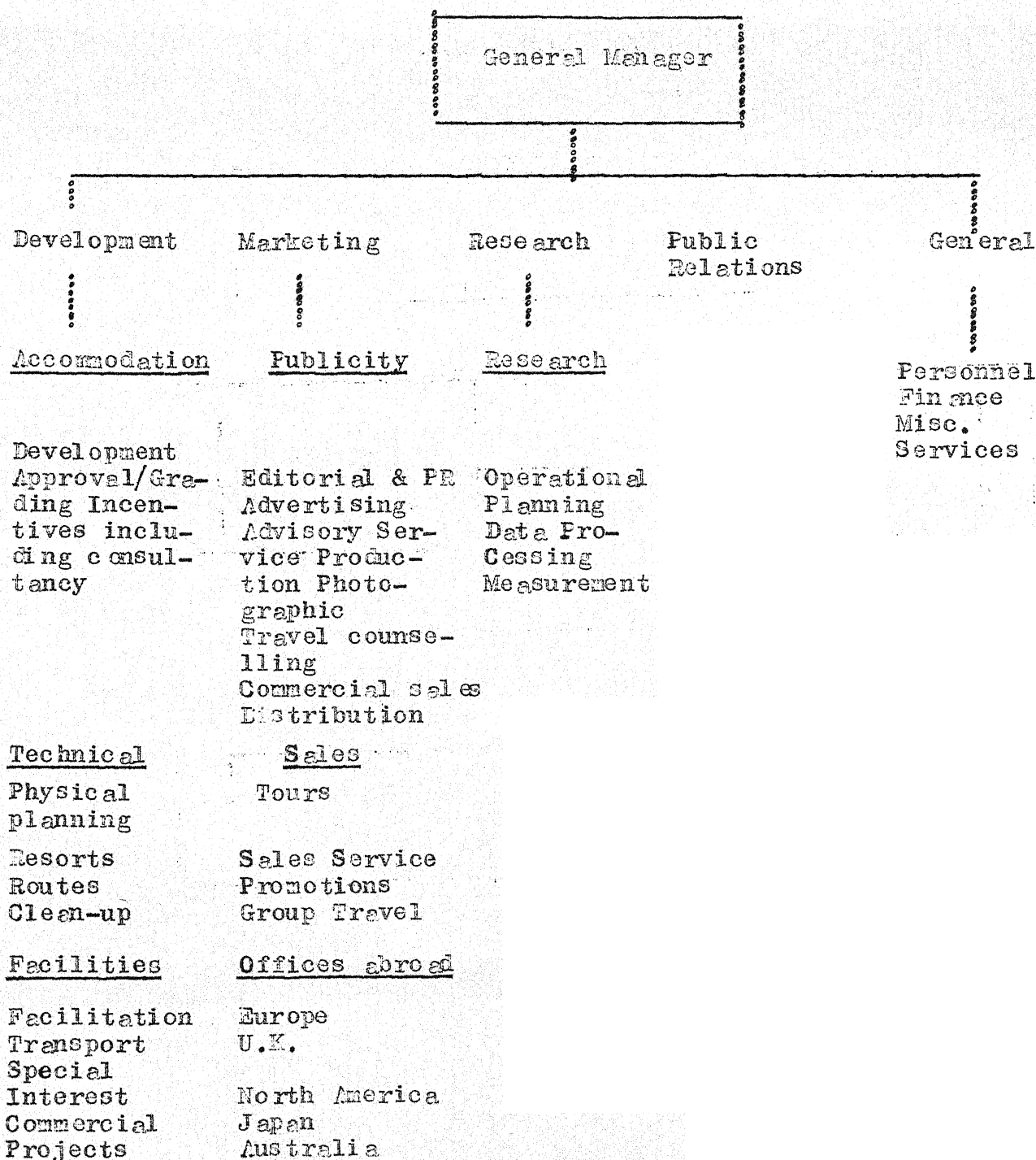


CHART II
PUBLIC SECTOR MODEL
Organisation of Promotional Activities



Regional

Regional

Field Offices

Tourist entertainment

Tourist purchases

CHART III

PUBLIC SECTOR MODEL

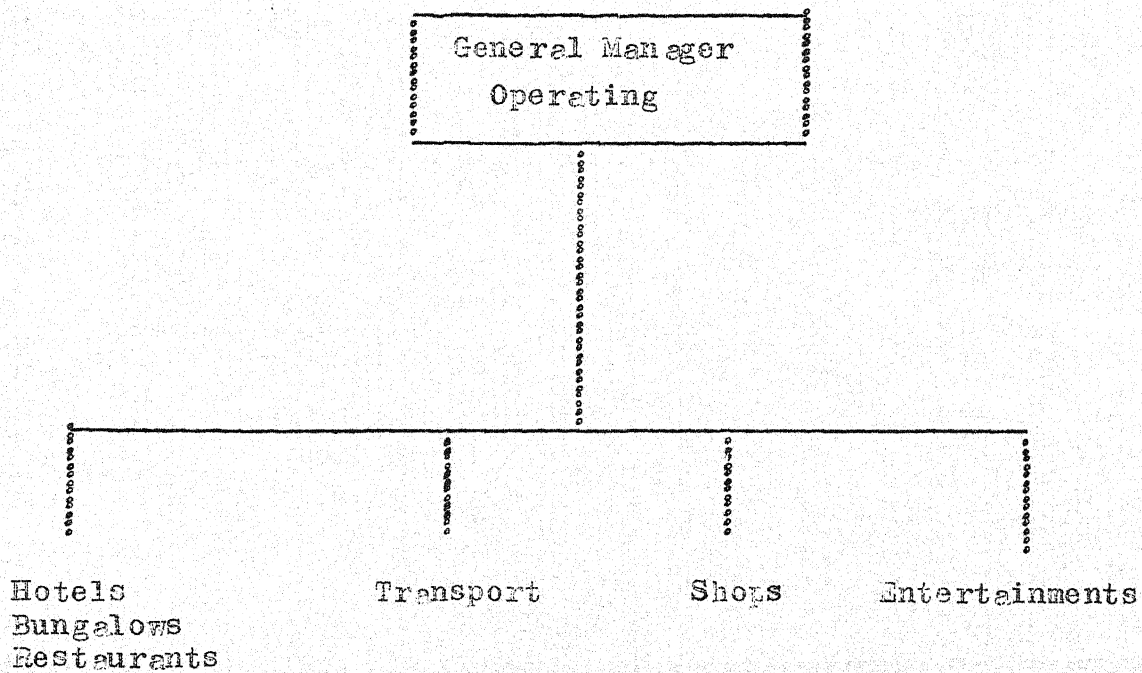
Organisation of operating activities

CHART IV

39.

SUGGESTED ORGANIZATION STRUCTURE FOR

INDIA TOURISM AUTHORITY Overall Organization

Minister of Tourism

Chairman & Chief
Executive

I T D C

Tourism Advisory
Council

Sectt.
Cell

General Manager
Planning & Marketing

General Manager
Accommodation Develop-
ment & Coordination

Dy. General Mana-
ger Public
Relations

General Manager
Finance Personnel
& General Service

CHAPTER III

TOURISM - A MARKETING OPERATION

59. Until recently the Department of Tourism has, through its field Offices at home and abroad, been predominantly an information and servicing organisation for tourists. The dramatic changes in the international tourism scene have necessitated a total revision of the role of the national tourism offices. Something of the need for change is beginning to be reflected in the Department's new approach but in order to be really effective the Department must adopt a predominantly marketing, product-planning and sales development role. The Study Team, considering this essential, has framed its proposals to provide the necessary Headquarters' organisation for such an operation and recommends that the Department adjust its policies, plans and programmes in this new context.

60. The Chairman of the New India Tourism Authority, proposed in the previous chapter, needs a first-rate team of top professionals to put the marketing concept fully into operation. The Study Team recommends that three major wings be established:

- (1) A Planning & Marketing Wing, headed by a General Manager;
- (2) An accommodation and Coordination Wing, headed by a General Manager; and
- (3) A Finance, Personnel and General Services Wing, headed by a General Manager.

The officers heading these Wings would report directly to the Chief Executive (see Chart IV).

61. The Team recommends further that the Chairman be supported by a small cell headed by an Under Secretary, which would assist him carry out his responsibility as a Secretary to Government.

62. As competent professionals are recruited to head these wings, the Chairman should delegate broad authority to them and hold them accountable for effective operations within the areas of their duties and responsibilities. The Chairman, freed from day-to-day operational details, could concentrate on his vital responsibility for developing policy, for translating policy into programme goals, for co-ordinating programmes, for evaluating their success, for modifications to improve them, and for advice to the Minister.

63. In this Chapter, the functions and operations of the Wings and their Divisions are presented.

THE PLANNING AND MARKETING WING

64. The Planning and Marketing Wing would broadly speaking:

- identify potential tourists;
- pinpoint their wants;
- locate existing services and programmes in India which will satisfy these tourists wants;
- prepare plans for new services and programmes or for the improvements of existing ones;
- communicate to potential tourists the attractiveness of Indian services and programmes and make them feel that these will meet their wants, desires, preferences etc.

65. The Study Team recommends that the Wing have three divisions (see Chart V) each headed by a Dy. General Manager:

- (1) Marketing and Overseas Promotion
- (2) Planning
- (3) Special Projects.

Marketing and Overseas Promotion

66. The Deputy General Manager incharge of this important division would supervise offices each headed by a Manager:

- (i) Market Research
- (ii) Marketing I
- (iii) Marketing II

(i) Market Research

67. India not only has to compete with many other countries to attract tourists but also has to suffer from the disadvantage of its being more remotely situated than most. It, therefore, will have to make a concentrated effort to attract primarily tourists with considerable resources. The Study Team recommends that the Market Research Office be given the responsibility for finding out through modern research methods that this type of tourist desires. Its professional Head should design such research, supervise the collection of data from or about tourists by his own staff or through the employment of outside organisations, guide the analysts in interpreting the findings and work with his staff on the preparation of reports.

The office should recommend to the General Manager, of the Planning & Marketing Wing methods which would give India advantage over its competitors.

The Office should observe closely the efforts of competing countries, noting competitive actions taken to counter new promotional programmes developed by India, assessing their potential impact, and recommending

modification of the Authority's programmes. He should propose Indian promotions which would counter those developed by other tourist organisations. The Division should also study and locate bottlenecks which come in the way of promoting Indian tourism and suggest ways and means to break these.

68. The subjects of this Office's study - potential tourists, competitive promotions, and visitors in India - will be constantly changing. The studies of the office should therefore be kept practical and fast moving.

69. The Manager, Market Research being responsible for directing his staff in research or entrusting research to reputed firms, and preparing reports on research findings should therefore be a person with demonstrated skill in supervising research and in interpreting results of field studies.

Marketing I & II

70. India faces a serious problem in developing its tourism. The number of visitors has not been of a high order with the result that word-of-mouth advertising has been ineffectual. Where other countries can expect considerable repeat visits by the same persons, the expense of travel to India makes the first visit likely to be

the only one for many tourists. The image of India obtained through the PATA surveys and of others has not been too favourable. The Study Team recommends the two Marketing offices be given the responsibility of finding innovative ways of convincing good potential customers that India can satisfy their needs better than other countries.

71. The Deputy General Manager, Marketing and Overseas Promotion, should with the help of his staff prepare annually a marketing plan, supervise the contracts with advertising agencies, work with advertisers under contract in undertaking sales promotion, and direct his staff in other promotional activities.

72. One of the first assignments for the new Deputy General Manager, Marketing and Overseas Promotion Division, would be to review the potential foreign exchange income from various countries and in the light of this review to recommend opening new overseas offices and closing those which are unlikely in the immediate future to produce revenue justifying their continuance.

73. The Deputy General Manager of this Division must lead his staff to be creative, imaginative and productive. He must focus their attention constantly on the customer -

the foreign tourist - and the desired result i.e. to earn increasing amount of foreign exchange. He must lead his staff to new way of thinking for a successful market operation.

74. The General Manager, Planning & Marketing, must work closely with the General Manager, Accommodation & Coordination Wing, in adjusting present facilities and services to the concept of tourist satisfaction as the prime goal. He should also work closely with the Dy. General Manager, Public Relations.

75. To support the Deputy General Manager, two Marketing Offices would be established, each headed by a Manager:

Marketing I. North and South America and Australia.

Marketing II. Europe, West Asia and Australia.

76. These Managers using data from the Market Research Office, advertising agencies and other sources, would seek out areas where potential tourists can be found, observe closely tourist flows to other main tourist markets, analyse the type of tourist who comes to India, project the kind of tourist who has needs and desires which make him a potential visitor here. They would plan promotions and campaigns for each potential tourist source in these regions.

Working with Deputy General Manager, they would identify advertising firms which have the potential to

aggressively motivate travel to India. They would directly or through regional offices ensure that firms under contract have data developed in the Authority about tourists and the services facilities now available or likely to become available. They would evaluate the success of advertising campaigns and promotions.

Working with travel agents and tourist directors at home and abroad and with the Manager, Travel Agencies, they would promote the development and sale of all-inclusive tours.

77. Whereas the Manager, Market Research would be concerned primarily with the application of modern research methods to the solutions of tourism problems, the two marketing Managers would be concerned with promoting increasing flow of tourists to India. They should have had experience in the tourism trade, advertising, or both.

Planning

78. As Market Research identifies what tourists want the marketing staff will need to have its promotional and advertising campaigns backed up by attractive goods, services and facilities. Just exactly what is needed, where, and in what quantity must be forecast and plans prepared to provide them. Delay in providing these facilities will hamper the work of the Marketing staff for they must relate their

promotions to what is available. The Authority must send tourists home with a positive message -- you, too, must see India.

79. To carry out the planning, the Study Team proposes that four offices be established for the main entry points i.e. Bombay, Calcutta, Delhi and Madras.

80. Each manager would be responsible for collecting from the Market Research Unit information about tourist wants. They would explore and locate in their regions facilities, goods and services that are available or which can be developed at reasonable costs. They would also see how best to involve local authorities, State Governments, Chambers of Commerce etc. and private investors in developing tourist facilities and in providing services and sales centres for tourists. In view of the immensity of the problem and the continental character of our country, they may have to explore methods of developing local tourism organisations. These may be either voluntary or in the initial stages local based extensions of the Tourist Authority or even, if feasible, local organisations financed 50% or more by the Authority and the balance by a cess on the local trade as has been suggested separately in a comment of the Tourist Department to the Estimates Committee.

81. Each Manager would collect data from the states in the regions assigned to them and would prepare annually plans for the development of:

Hotel facilities

Recreational facilities

Transport

Monuments, beaches, resorts

Crafts, goods, stores

Tourist services

They would plan the growth of these in such quantity and at such time as they are needed to meet projection of the numbers of expected tourists. They will, of course, coordinate plans for implementation with local authorities and state governments.

82. The Deputy General Manager, Planning, will collate this data from each of the four offices, assembling them into a plan for the Authority. He will coordinate its implementation. To assist the other offices and his own staff in preparing plans, he will obtain from the Planning & Marketing Wing forecasts of the expected number of tourists for five years in advance, the expected annual revenue from such visitors and the probable demand for goods, services and facilities. He will advise the General Manager, Finance

of the budgetary implications of the annual plans. He will recommend new policies and procedures needed or changes in them to facilitate the implementation of the plans. He will also direct the preparation of 5-year plan.

Special Projects

83. This office will concentrate its attention on developing areas for destination traffic such as Gulmarg, Goa, and Kovalam etc. which have been designated as major projects. Their plans would be carried out either through ITDC or by contracts with architects, engineers, town planners and others capable of planning development, constructing facilities, and developing services. They will review proposals by State agencies and others in the project areas to make sure that these fit into the overall area patterns. They will supervise the letting of contracts for construction, development and rehabilitation and will monitor progress in carrying out of such plans, including the release of funds from time to time when progress is satisfactory. They will review proposals by State agencies and others affecting such project areas as to whether they fit into the overall development pattern. They will create

in consultation with ITDC or other parties selected to construct projects a variety of services: skiing, angling, trekking, horse riding, surfing, etc. They will liaise with the Department of Archaeology on tourist traffic to monuments and temples in the area of major projects. In coordination with the Manager Travel Agencies, they will develop special interest tours locally and carry out such area development either through the ITDC or via contract with architects and engineers.

84. The Deputy General Manager of this division would preferably have had experience in the tourist trade. He should be able to work with town planners and other experts, national and international, in area development. He would be assisted by three offices, each headed by a Manager:

- (i) Beach Resort Development
- (ii) Hill Resort Development
- (iii) Other Recreational Facility Development

THE ACCOMMODATION & COORDINATION WING

The Accommodation and Coordination Wing would:

- . facilitate the providing of tourist accommodations;
- . improve the attractiveness of resorts and recreation centres;
- . seek to improve transportation services for tourists;
- . inspect and rate tourist facilities and services etc.

26. The Study Team recommends that the Wing have two Divisions: (1) Coordination Division and (2) Accommodation Development and Inspection Division (See Chart VI). The General Manager Accommodation & Coordination Wing would relate his projections to the overall perspectives of the current needs for tourism services and facilities provided by the Planning and Marketing Wing. The General Manager would direct his staff in preparing integrated plans for these or giving contracts for the implementation of such facilities to ITDC or other appropriate organisation. He will work with Hoteliers, air, rail and road carriers to encourage development of accommodation and transport for foreign tourists, supervise inspection of these facilities, in

with State organisations. The General Manager of this Wing should have had experience in one or a combination of such fields as hotel management, transport managements or the travel trade, or banking and loan services.

Coordination Division

87. After the services and facilities have been made available, care must be taken that they are properly maintained. This is a responsibility calling for tactful relations with State authorities, hotel managers, travel agents, tourists and other persons not subject to direct supervision by the India Tourism Authority. The Study Team recommends therefore that such matters be placed in this Division under a Deputy General Manager who has a sound background in the travel trade and an ability to persuade others to make good use of the earning possibilities of tourism through good management and courteous services.

88. The Deputy General Manager should establish good relationships with all State tourist services and facilities. He should be assisted by three offices headed by Managers:

- (i) Tourist Transport
- (ii) Travel Agencies
- (iii) Complaints and Shops

(i) Tourist Transport Office

The Tourist Transport Office would work with railways, airline, and bus offices to provide improved services for tourists visiting different places in India. It would work with them in getting information for field offices to be provided to tourists about schedules, fares and services. Its staff would review applications for allotment of automobiles for tourist services and review inspection reports on the adequacy of such services. It would recommend the issuance of licences for luxury cars. It would receive application for loans to improve tourist transport and recommend appropriate action on these. It would process requests for release of foreign exchange required to publicise transportation services to tourists. It would estimate the amount of foreign exchange earned by transport operators from tourists. They would also facilitate travel by domestic pilgrims.

(ii) Travel Agencies Office

The Travel Agencies Office would develop an annual plan for informing the travel trade about the Authority's tourism plans and opportunities. It would convene meetings of travel agents to help them improve their relations with foreign travel agents and their services to foreign tourists in India. The staff of the office would develop all-inclusive

00.

tours (beaches, monuments, recreation, etc.). They would provide information about these to foreign and Indian travel agents and the Authority's marketing managers. They would negotiate with ITDC and state agencies for the establishment and improvement of local sight-seeing and other services. They would work with the Manager, Training, develop training programmes for employees of travel agencies and guides. The Study Team recommends that they review inspections of travel agencies, take action to assist them to become more effective and recommend their approval by government. They would work with customs and immigration to review regulations etc. so as to make entry into India more pleasant for tourists. They would also process requests for foreign exchange for travel publicity and collate the earnings of travel agencies from their tourist activities.

(iii) Complaints & Shops Office

The complaints and shops office would receive complaints from foreign tourists and, after receiving reports from the Inspection staff ensure appropriate action on them such as assisting a hotel to improve its weakness or inadequacy pointed out in the complaint. A dossier should be kept on each hotel/shop etc. so that more vigorous action can be taken if there is no improvement. The Office would on receiving inspection reports authorise the recognition of

a shop as one providing quality products and services to tourists. It would work through local police to mitigate beggar nuisance or other behaviours interfering with tourist satisfaction.

Accommodation Development Inspection Division

89. In the coming years the authority would have to undertake a crash programme for development of desired accommodation facilities for the growing number of foreign tourists. This objective would be achieved by providing suitable loans and incentives to the private hotel operators. The Deputy General Manager of this Division would be also responsible for directing of inspections of hotels and other tourist facilities, the processing of tourists complaints and recommending of hotel gradation.

In all of these operations, the Deputy General Manager should emphasize the services that he is providing the States and the travel trade in order that they may obtain the greatest income from tourist visits.

90. The Deputy General Manager, Accommodation Development and Inspection would be assisted by three offices under the direction of managers:

- (i) Hotel Projects.
- (ii) Accommodation Development and Inspection I: Northern and Eastern India.
- (iii) Accommodation Development and Inspection II: Western and Southern India.

(i) Hotel Projects

The development of new hotels in the private sector will continue to be a major programme for some years. This office will, under approved one-year and five-year plans, locate cities where increased numbers of foreign tourists are expected, identify potential hotel operators in these cities, assist them to locate adequate space in good locations, guide them in the development of architectural and engineering plans to exploit the plot well, arrange the making of loans, recommend approval of loans for construction, monitor the completion of construction and the release of funds for that purpose, supervise the collection of payments on the loans from the private interests.

(ii) & (iii) Accommodation Development and Inspection, I & II

Having gone to considerable expense to attract tourists and to provide the accommodations, this office will take steps to encourage those providing goods,

accommodation and services to build a favourable image of India.

The main purpose of the inspections to be made by staff of this office will be to assist establishments visited by tourist to increase their business by providing better goods, services and facilities. While the inspectors will have to take note of inadequacies and relate them to the recognition and grading of institutions visited, they will approach this in a spirit of how the proprietor or manager can avoid such negative reactions in the future and how Government can assist financially and otherwise in bringing about improvements. Their main effort will remain to educate the travel trade how to avoid such charges and how to go beyond this to increase the number of satisfied tourists in India.

The office will advise the Training Office of areas in hotels and other service organisations which might be remedied through better training and seek assistance in providing it.

In carrying out these functions, the inspectors will visit hotels, guest houses, travel agents, stores and other places commonly visited by foreign tourists. They will prepare reports which will be sent to other parts of the Authority for action.

The staff of this office will receive and recommend action on requests for authority to employ foreigners in hotels, for liquor permits, and for the release of foreign exchange for the purchase of hotel equipments (other than the original equipment which will be acted on by Hotel Projects Office). It will review and recommend action on requests from persons for money-changer permits.

The staff will collect information needed by these responsible for the gradation of hotels.

PUBLIC RELATIONS DIVISION

91. The sources of the Authority's tourist efforts would depend heavily on the feelings that tourists take home about India and its people. As the influx of foreign visitors to India increases, the word that they carry back home will become increasingly important in attracting or repelling other potential visitors - their reception in hotels and restaurants, the behaviour of citizens towards them, the treatment that they receive on the roads, their experience in shopping and while travelling by trains, buses and airplanes. At present the small number of visiting foreigners in our country has hardly called for more than common natural courtesy on the part of our

citizens. The Study Team recommends that this Division develop a well planned and concerted public relations programme to keep citizens informed about their part in tourism. At present - except for courtesy campaign of "Welcome a visitor, send back a friend" - the Department has limited funds to do much planning in this area. On the operational side it has sought to inculcate courtesy in its staff and urged the same on others. This is a good beginning to a programme which the Department should vigorously expand.

92. The Study Team recommends that this Division provide public relations programmes, reaching and motivating special groups such as hotel clerks, bearers, tourist car operators, local travel agents, store-keepers, guides, booking clerks and theatre ushers. It is also essential to inform influential opinion leaders such as Members of Parliament, Members of Legislative Assemblies, news editors and writers about the activities of the Tourism Authority and the need for their cooperation if the goals and objectives of earning more foreign exchange through increased tourism is to be obtained. The proposed tourism organization needs both a promotion Wing which serves the foreign tourists and a Division which communicates with the citizens in general. This requires a sophisticated public relations programme.

While the Promotion and Marketing Wing would concentrate on external audience and publicity, the Public Relations Division using quite different psychological techniques would endeavour to create a good image for India.

93. The Division should advise the Chairman on the means for developing in the officers and employees of the authority pride in their work and a service attitude. It should assist the Chairman in making sure that each employee knows what the GOI tourist programme is, how it will be carried out effectively, and how they can contribute to its success.

94. The Public Relations Division must help the Chairman to communicate with the Public by preparing news releases for Indian papers and magazines, assisting Indian writers who want information about the activities of the tourist organisation; seeking out opportunities to present the programme of Indian tourism to meetings of the Chambers of Commerce, trade organizations and businessmen; developing displays for schools and universities etc. The Public Relations Office would draft brochures, pamphlets, letters, etc. some addressed to the Indian travel trade; some to the foreign tourists in India, and others to potential tourists.

95. The Study Team recommends that the Public Relations Division should be headed by a top professional working

directly with the Chairman in close cooperation with the General Manager, Promotion & Marketing. The exact designation and emoluments of the officer incharge of this Division would depend on the professional standing of the incumbent. To assist him, the Deputy General Manager, Public Relations, should have three offices (See Chart VII):

- (i) Advertising Policy
- (ii) Public Relations and Hospitality
- (iii) Information Coordination.

(i) Advertising Policy Office

This office would in collaboration with ITDC commission contracts for the preparation of pamphlets and brochures. They would review drafts to make certain they comply with the Authority's programmes and policies and to verify the correctness of the statements and claims made.

(ii) Public Relations and Hospitality

This office would invite and provide hospitality to writers, magazine editors, photographers and others who wish to write about India.

(iii) Information Coordination Office

This office would draft press releases, encourage the presenting of talks on travel to Indian organisations, provide such organisations with information about tourism, review articles about tourism to assess their impact,

arrange meetings with press for announcements, etc. The Manager would draft annually a plan for improving the image of tourism with the Indian public and carry out that plan when approved.

THE FINANCE, PERSONNEL AND GENERAL
SERVICES WING

96. The preceding organizations are concerned rather directly with the promotions and marketing of tourism and the provision of essential services to tourists and the travel trade. The efficient administration of the Commission requires staff services also. One of the most important of these is the budgeting, accounting and financial controlling for the Authority.

97. The General Manager, Finance, Personnel and General Services should be an important member of the Chief Executive's team. He should advise him on financial/ administrative and personnel matters. He should assist the Wings and Divisions to prepare the budgets and assemble these into a total budget for the approval of the Chairman. He should allocate budgeted funds efficiently to the other parts of the Authority and maintain adequate records and controls over the expenditure made.

98. The General Manager should be assisted by two divisions, each headed by a Deputy General Manager (See Chart VIII.)

1. Finance and General Services Division
2. Personnel and Training Division

The General Manager should be a competent administrator with a good knowledge of Financial management.

1. Finance and General Services Division

The Deputy General Manager, Finance and General Services Division will be assisted in his work by three offices, each headed by a Manager:

- (i) Finance
- (ii) Coordination of Regional Offices
- (iii) General Services

(i) Finance Office

The Manager, Finance Office should record and authorize all expenditures, periodically review the rate of expenditure and recommend reappropriation of the appropriate funds to make the most efficient use of them. He should develop plans for increased financial powers for the Authority and for increased delegations of financial transactions within the Authority and its field offices.

(ii) Regional Office Coordination

This office will prepare instructions for issuance to regional offices on their activities, obtain reports from them on the work load and work out solutions to their problems. Annually, it will prepare a budget for these regional offices.

(iii) The General Services Office

The General Services Office should manage the official records of the Authority, provide central typing and stenographic services, provide and maintain office equipment and space, approve the grants of amenities, purchase equipment and supplies, and operate official vehicles.

2. The Personnel and Training Division

The new marketing programme and other programmes to be undertaken by the Authority will require extensive re-training of the present staff. In addition, the recruiting of more professional personnel and the development of promotion ladders for tourist officers will require the development of sources for recruitment of these new personnel and the conducting of new training. The Deputy General Manager, Personnel and Training Division should have training, experience or both in personnel management. He will be assisted in his work by three offices, each headed by a Manager:

- (i) Personnel
- (ii) Training
- (iii) International Conferences

(i) Personnel Office

This office will carry out usual establishment duties. It will estimate the number of persons needed annually for each category of employment and will seek to establish good relationships with schools, colleges, and universities to interest qualified persons in applying for employment. It will give entrance examinations for posts to be filled in by the Authority. It will supervise the promotion system.

(ii) Training Office

This office, in cooperation with other offices and divisions of the Authority will develop training programmes to orient new employees to tourism goals and mission, co-ordinate training in the wings, and conduct training or obtain training services from other organizations for the training of employees in travel trade organizations. The office would also develop a suitable training programme for tourist guides.

(iii) International Conference Office

This office will keep in contact with International organisations such as UNESCO, ILO, FAO, UNCTAD etc., which

can be persuaded to hold conventions or conferences in India. It will negotiate with them and suggest that GOI will provide the organisation when they meet in India all the necessary facilities such as hotel rooms, conference halls, stenographic reporting, tours, etc.

In addition, the office will maintain contact with international tourism organizations such as IUOTO and PATA and other International organizations linked with tourism. It will prepare materials for distribution at such conferences, obtain advice from the Chairman as to who should attend such conference from India, answer inquiries from such organizations, and obtain data and information from them of use to the Authority.

SUMMARY

The functions assigned to the Wings and Divisions are recapitulated below. Organisational charts follow this summary.

PLANNING AND MARKETING

1. Planning

- .. Long-range planning
- .. Relate Market research to planning facilities - Plan schemes -
- .. Data collection and analysis.
- .. Liaison with State authorities and Regional Tourism Councils - Plan coordination with ITDC -

2. Marketing and Overseas Promotion

- .. Design research on tourist needs.
- .. Engage outside research assistance.
- .. Prepare annual marketing plan.
- .. Advertising and P.R. Budgeting.
- .. Review and approve advertising campaigns.
- .. Design variations of tourism 'product', i.e., special interest tours (Buddhist pilgrims etc.)
- .. Advise planning on Tourism needs.
- .. Work with Development and Coordination Wing in creating facilities for tourists.
- .. Charter flights - overland travel.
- .. Promotional fares - Liaison with Airlines (National and International).

- .. Foreign exchange earnings by travel agents.
- .. Release of foreign exchange for travel publicity.

3. Special Projects

- .. Develop integrated projects such as Gulmarg/ Kovalam etc. consistent with approved plans developed by Market Research staff - project need for improved tourism areas such as recreational areas, monuments, resorts, beaches.
- .. Develop architectural and other plans for establishing or rehabilitating such areas.
- .. Review plans submitted for such development/ rehabilitation by state or other agencies and recommend grants or other support as indicated.
- .. Monitor progress in implementation of plans and recommend release of funds when progress is satisfactory.

ACCOMMODATION AND COORDINATION

1. Coordination

i) Tourist Transport

In accordance with the plan, develop programmes for providing adequate tourist transport and improving tourist transport service in coordination with Rail, Air and Bus Services

- .. Pilgrim tourism.
- .. Recommend allotment of vehicles for tourist services and inspect adequacy of such services.
- .. Recommend assigning of licences for luxury tourist cars etc.
- .. Operate transport loan fund.

- .. Foreign exchange earnings of transport operators.
- .. Release of foreign exchange required for travel and publicity.

ii) Travel Agencies

- .. Develop annual plan for informing travel trade about Tourism plans and opportunities.
- .. Facilitation (customs and frontiers formalities).
- .. Local sight-seeing tours.
- .. Recognition and control of Travel Agencies - (Legislation).
- .. Foreign exchange earnings by travel agencies.
- .. Release of foreign exchange for travel and publicity.
- .. Convene meetings of travel agencies to promote effective services to tourists.

iii) Shops and Complaints

- .. Recognition of shops.
- .. Follow-up complaints.
- .. Beggar nuisance.
- .. Liaison with Police (Tourist Police)?

ACCOMMODATION DEVELOPMENT & INSPECTION

i) Hotel Projects

- .. Consistent with approved overall plans developed by Market research staff, project need for hotel, hostel, guest houses and related facilities such as stores.
- .. Develop architectural plans and schedules for construction for these facilities.
- .. Negotiate with hotel owners and others to construct or modify hotels, etc., as needed.

- .. Recommend grants and loans to implement plans.
- .. Review architectural and engineering plans drafted by those receiving loans and grants.
- .. Monitor progress in construction under loans and grants, taking remedial action as required.

ii) Accommodation development and inspection

- .. Import licenses for Hotel equipment.
- .. Develop with Personnel and Training Unit, training programmes to improve the services in tourist accommodations.
- .. Liaison with Hotel Training Institute and Hotel Federation.
- .. Visit hotels, guest houses and other tourist accommodations to inspect their operations and assist management to allocate tourists, and assist gradation of hotels.
- .. Recommend star gradation of hotels.
- .. Employment of foreigners in Hotels.
- .. All India Liquor permit.
- .. Compilation of Hotel guides.
- .. Money - changers licences.

PUBLIC RELATIONS

- .. Provide hospitality programmes for writers; photographers etc. from overseas.
- .. Prepare press releases, speeches, etc.
- .. Prepare annually a plan for improving the authority's public relations.
- .. Review publicity about tourism and recommend means to exploit good trends and to counter-act misunderstandings.

- .. Recommend changes in publicity of the Authority that will improve public relations.
- .. Develop relations with schools, universities, associations and other Indian groups to make them more aware of the importance of tourism and the role the public plays in its support.
- .. Develop brochures, pamphlets, letters etc. to assist travel agencies on means for improving their trade with tourists.
- .. Prepare brochures, pamphlets, etc. addressed to the potential tourists from overseas.

FINANCE PERSONNEL AND GENERAL SERVICES

1. Finance

- .. Develop plans for obtaining increased financial powers for the Authority - Key role in overall financial planning and management.
- .. Develop and obtain approvals on budgets in consultation with the Chairman, General Managers and other senior officers.
- .. Develop and maintain an accounting and financial control system.
- .. Authority payments to staff and to firms under contract with the Authority.
- .. Advise the Chairman on financial matters.

2. General Services

i) Records Management

- .. Establish procedures for maintaining files in all offices and central files.
- .. Establish procedures for processing data etc.

ii) Central Typing & Stenographic Services

- .. Supervision of staff and assignments.

iii) Maintenance of Office Equipment & Space

- .. Supervise the repair and maintenance of all equipment and the obtaining of services for the facilities.
- .. Assign space to officers.
- .. Assign vehicles for official use.

iv) Amenities

- .. Approve allotment of phones, home phones, car allowances, travel allowances and the like for all staff.

v) Purchasing and Supplies

- .. Direct the purchase and supply of all office supplies and equipment, staff cars, scooters, etc.

vi) Co-ordination of Regional Offices

- .. Maintain contact with the regional offices and coordinate their activities.
- .. Maintain liaison with regional tourism councils and state governments.

3. Personnel and Training

i) Establishment

- .. Place requests for staff.
- .. Direct the preparation of standards for the recruitment of all staff in all classes.
- .. Conduct interview, examinations and checks of qualifications of all personnel (other than those provided by UPSC) in Delhi and field.
- .. Direct preparation of character rolls.
- .. Administer personnel regulations as needed.

ii) Training

- .. Assess training needs of staff and persons in contact with foreign tourists such as guides, hotel employees etc.
- .. Prepare annually a training plan.
- .. Develop the content of training in consultation with the General Managers in Tourism Authority and representatives of travel trade.
- .. Conduct training as required or obtain assistance in doing this from the General Managers, Universities or travel trade.
- .. Evaluate results of training and take steps to improve the programme.

iii) Liaison with International Organisations

- .. All matters relating to IUOTO & PATA.
- .. Develop promotions to attract conferences, conventions and other large groups to India.
- .. Provide services (hotel arrangements, clerical, etc.) to conventions, conferences and other large groups.
- .. Liaison with Ministries planning conferences and conventions.

CHART V

ORGANIZATION OF PLANNING & MARKETING ACTIVITIES

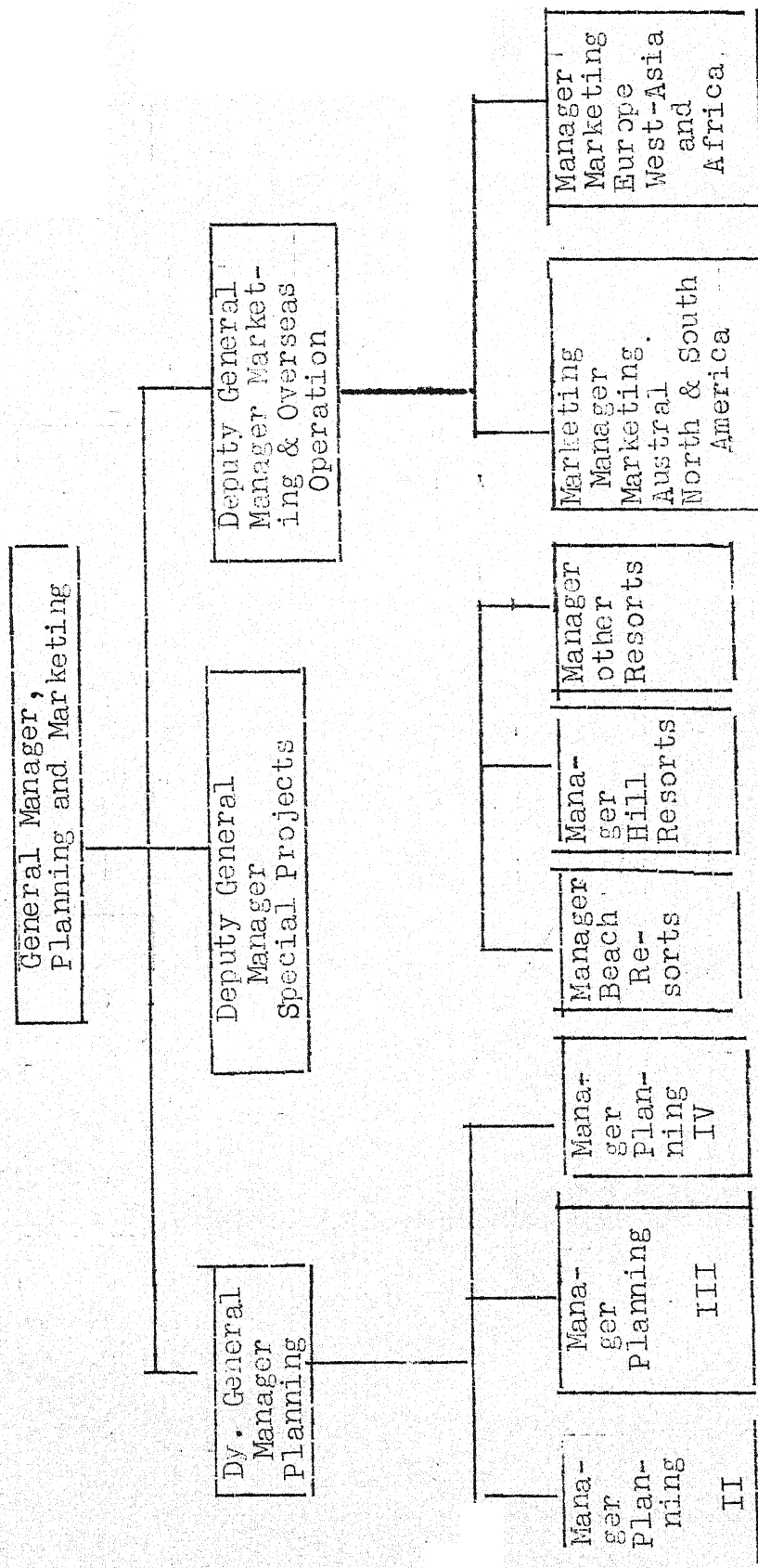


CHART VI

ORGANIZATION OF ACCOMMODATION DEVELOPMENT AND
COORDINATION ACTIVITIES

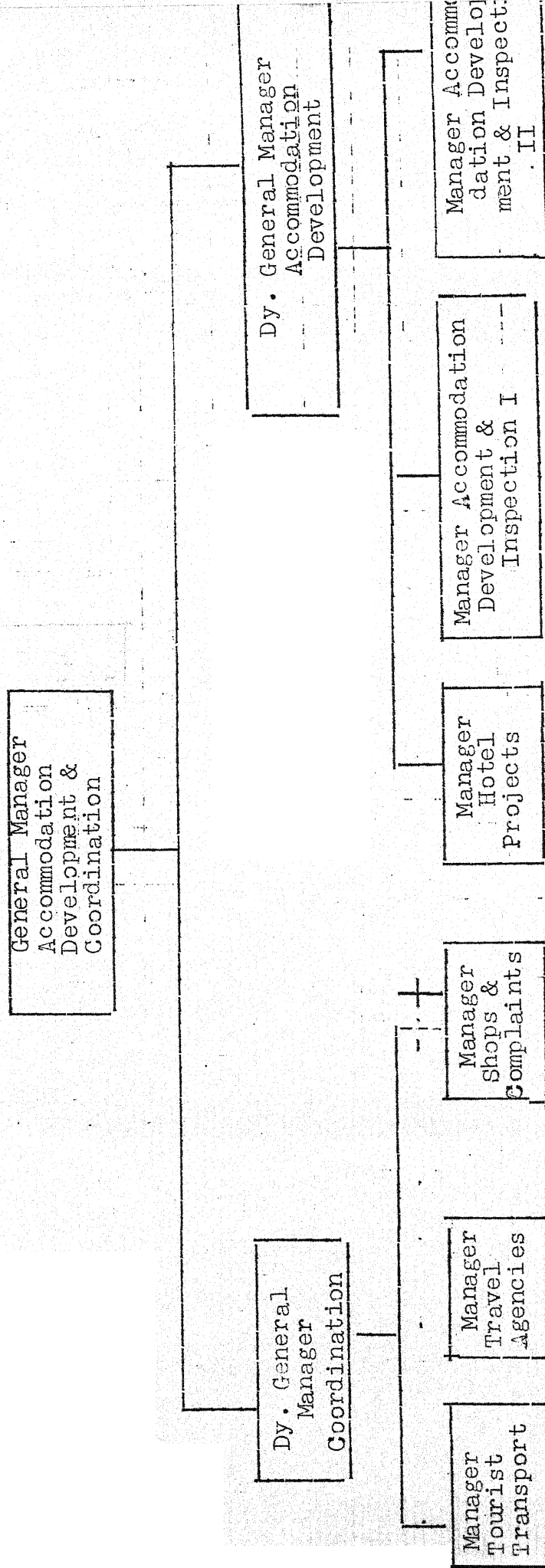


CHART VII

ORGANIZATION OF PUBLIC RELATIONS ACTIVITIES

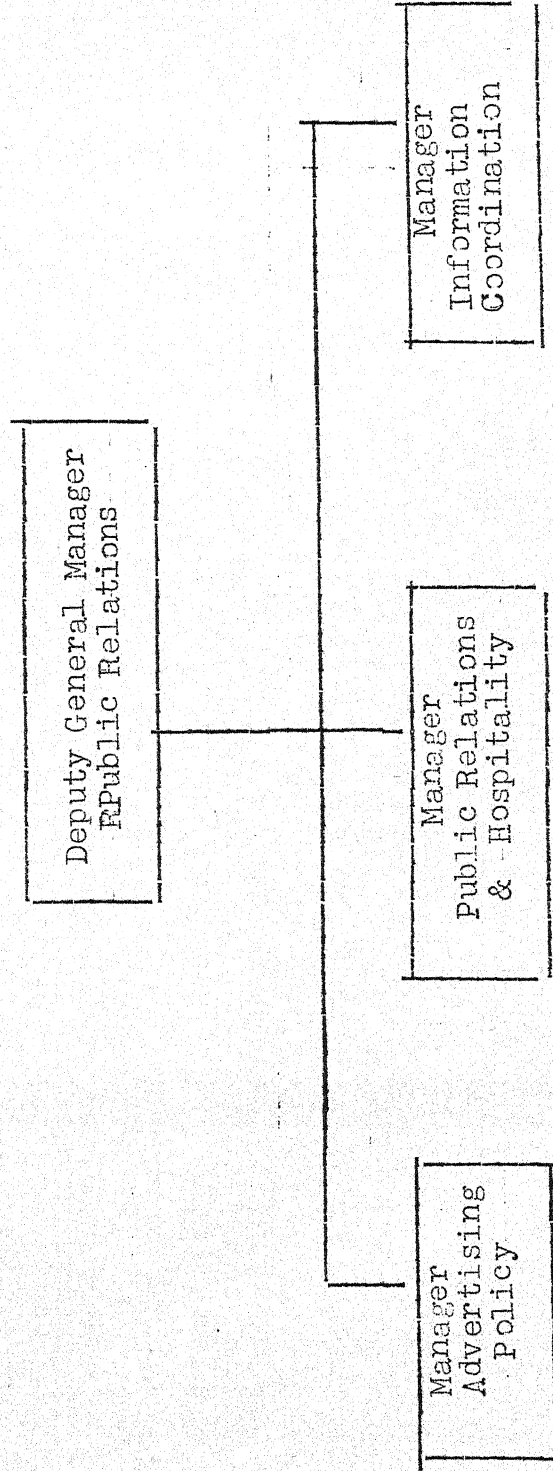
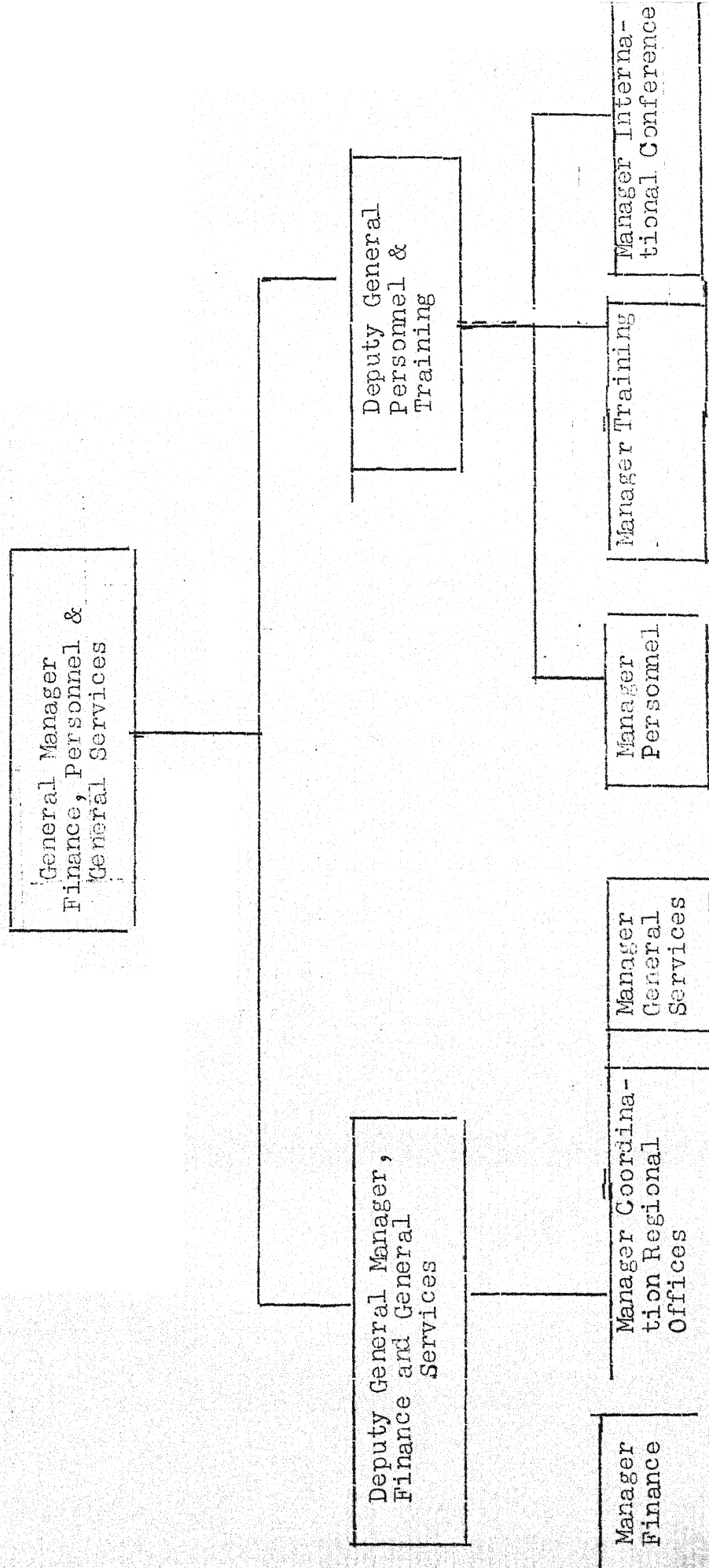


CHART III

ORGANIZATION OF FINANCE, PERSONNEL AND GENERAL SERVICES



CHAPTER IV

RECRUITMENT, TRAINING AND STAFF PROMOTION

99. The success of the national tourism programme is completely dependent on the quality of the staff of the proposed Tourism Authority. The Authority would need a personnel system which motivates its officers to above average efforts. This we suggest can best be achieved when work in the organisation attracts better-than-average recruits and when career possibilities in the organization help retain the best of those who join.

100. To get its work done well and efficiently the Authority would need a system in which the superior work is rewarded and advancement is made on the criteria and merit and potential to perform the higher level work. It would need a system in which employees, supervisors and managers are trained in what they should do, advised as to what work and performance is required, and told promptly how the work measures upto these requirements. It needs supervisors and managers who know how best to lead, train, and motivate employees.

101. In this chapter, the IIFA Study Team has some specific proposals.

Recruitment

A common thread runs through the work of the Authority from the field to the headquarters - sales and marketing. The singleness of purpose makes it possible, with some change in present practice, to fit the recruitment, assignment, training and promotion system more specifically to the needs of the proposed Authority.

102. We recommend that a common recruitment-training-promotion system be established for all the posts from that of Tourist Officer (presently designated Information Assistant) to the Chairman/Chief Executive. Such a system should not be a closed one but should enable the recruitment of required personnel from the Government and outside at all levels. The organisation should develop a career pattern which would offer those young talented officers who join at the lowest level to rise in the organisation as they gather experience and expertise.

103. Tourism is a relative new field and naturally the talent needed for a developing organisation is scarce. At present level of emoluments it has not been easy to attract right type of personnel needed. The proposed India Tourism Authority will have to hunt for

talents and expertise in competition with industries as a whole and other travel and tourist trades and hotel industry in particular. The latter are in a position and do offer quite often more attractive terms and conditions to the potential recruits. Under such conditions it is but natural that these business and trades can attract better personnel than the Tourist Department.

104. Unless new measures are taken to make the terms and conditions of services in the Authority more attractive, the proposed tourism development programme will flounder. Under these circumstances, the Study Team recommends that the Government authorize the Indian Tourism Authority to pay its officers salaries and provide conditions of services comparable to those in the private sector.

105. The selection procedure should be flexible enough to allow a number of selection methods not necessarily dependent on the present method of advertising, screening and interviewing. The recruitment and selection procedure should be such that all well qualified persons get a chance to compete and the sole criteria of selection should be the qualities needed rather than qualities of those readily available. The organisation should strive to select the superior men on the basis of their expert knowledge and past experience. This could

be achieved by getting into intimate contact with (1) agencies and organizations concerned with tourist and allied fields, and (2) colleges and universities.

106. At present the selection and recruitment of the officers of the level of Assistant Director and Director are made as follows:

	Direct Recruitment through U.F.S.C.	Promotion of Dep- artmental Candi- dates
Assistant Director	75%	25%
Director	$65\frac{2}{3}$	$33\frac{1}{3}$

Dy. Director General: By promotion, failing which by transfer on deputation and failing both direct recruitment.

107. Selection and recruitment of personnel through U.F.S.C. sometimes involves considerable delay because of elaborate procedures laid down. Such delays may result in not only certain important programmes remaining undeveloped, but also loss of able professional persons who would not wait indefinitely when opportunities are available in the highly competitive tourism trade. There is a scarcity of well-qualified professionals in the field. At present the Department undertakes direct recruitment of Information Assistants. The Study Team recommends that direct recruitment be undertaken at several levels in the organization.

Government should be asked to relax the usual procedure for selection by making necessary amendments in the UPSC (consultation) Regulations, exempting posts in the India Tourism Authority from the purview of the UPSC. This relaxation should enable the Tourism Authority to select and recruit the best talents for the top professional jobs either from amongst government officials or the open market provided the pay-scales are also upgraded.

Tourist Officer

108. We recommend that the present basic point of intake into the Department - Information Assistant should be substantially upgraded and the new entrants be designated Tourist Officer. The calibre and emoluments of the Tourist Officer should be about the same as the present Assistant Director. The first contact of a foreign visitor in this country will be the Tourist Officer, who receives him at Air-port, Sea-port and the information counters. This initial contact would naturally have a great impact on the visitor's mind and the image that he perceives of the Tourism Organization in particular and of the country in general. Therefore, it is necessary that the personnel for these positions be carefully selected. They should be smart, intelligent, presentable, helpful and courteous.

Recruitment at this level should be made by the Authority after holding a competitive examination for which university graduates should be eligible.

109. On employment a new Tourist Officer should be given a short-term course which would cover such matters as:

Indian history and culture

Archaeology

The Marketing approach to tourism

Interviewing and other survey methods

Regional affairs and geography

Assistance to tourists.

The 10 to 12 week course may be arranged by the Training Division, using staff of the Authority and academic staff from nearby universities and colleges. By "assistance to tourists", we mean that the new recruits should learn how to read time-tables, order tickets for travel, estimate costs for tours, write out itineraries, make reservations for accommodations, advise on purchases, etc. It would include some coaching in diction, use of telephone, and service on a counter.

110. On completion of his training or shortly thereafter, we recommend that trainee Tourist Officers be taken on familiarisation tours to places of major tourist interest.

111. Tourist Officers would be assigned to meet tourists at airports, serve at information counters, answer telephone calls for information, assist in making of surveys by handing out forms and collecting them, and to do other similar work of this type.

112. An essential requirement for further promotion of Tourist Officers should be the passing of a thorough test of governmental and departmental procedures, a general test on knowledge of marketing methods and questions on current events of interest to tourists. Tourist Officers should be told about these requirements in order that they may prepare themselves to pass the examination after they have served in these positions for atleast 3 years.

113. The second requirement for promotion should be a record of competent and effective service. We recommend that lists be prepared in which the combined scores on tests and performance are used to rank the officers in order of merit. An employee not selected in a competition for promotion should be permitted to compete again but should be required to retake the written test in order that he may be fairly compared with other candidates.

As we envisage that a number of officers initially recruited in the organisation as Tourist Officers would be promoted to higher levels of responsibilities and duties, in due course of time they should be exposed to modern methods of administration/management.

Deputy Managers

115. We recommend that a second major recruitment point for the Authority be the posts of Deputy Managers, somewhat midway between the present posts of Assistant Directors and Directors. Fifty per cent of the vacancies in these posts may be filled from Tourist Officers and the other half may come on direct recruitment.

116. Candidates for promotion should be ranked on two factors: their past performance and their standing in a written examination. The latter should cover current events in India, recent developments in tourism in India and a short essay written in Hindi or English. Efforts should be made to attract to the Authority direct recruits with good Bachelor's degrees. Requirements should be set in accordance with the conditions in the labour market. Consideration should be given to requiring candidates to have training or education in some of these fields: business management, marketing, Indian history, archaeology, social science research, engineering or

architecture. Consideration should also be given to examining the applicants on current history and requiring them to write an essay.

117. New recruits should be given a special orientation to the Authority. Both direct recruits and promotees should be given training in tourism, market research, advertising techniques, use of mass media, public relations methods, development of tourist facilities, and elementary statistics.

118. Deputy Directors on satisfactory completion of training should be assigned to a wide variety of duties. For example, they may serve as Inspectors of travel services and facilities in a region, as supervisor of a group of Tourist Officers, as trainee in the field of market research or marketing, as trainee in development of special projects. At the completion of common training, each should be given additional training on the job in his assigned duties.

Managers

119. We recommend that two-thirds of the post of Managers (now called Directors) be filled by promotion from the ranks of Deputy Directors. Direct recruitment should be used to fill posts for which qualified persons cannot be found on the staff. For example, the Authority may need to employ from outside advertising specialists,

statisticians, opinion research technicians, or other specialists.

Promotion to the post of Manager should be by merit and should be based on a comparison of the quality of performance of those who have served at least 5 years as Deputy Directors. Seniority alone should not be a basis for promotion.

Other Training

120. We recommend that periodically, four-week long, refresher courses be organised by the Training Division for Tourist Officers, Deputy Directors and Managers. However, employees normally should be entered into such programme only once in each 3 to 5 years of their employment.

Outstanding employees with management potential at all levels should be identified by Training Division for attendance at courses conducted outside of the Authority by such organisations as the Indian Institute of Public Administration, the Indian Institute of Mass Communication, Administrative Staff College, Hyderabad, and Institutes of Management, etc.

Outstanding officers with technical potential should similarly be selected to attend courses in marketing, sales techniques, advertising and the like

at institutions overseas such as the special courses at the East-West Centre, Hawaii.

Language Training

121. Though a majority of tourists come now from English-speaking countries, we expect that more and more tourists would come from other countries also. The Department has at present a few Information Assistants and guides who know French and German. It is desirable that Tourist Officers should be able to converse in languages such as Spanish, Italian, Japanese etc.

Based on survey of country of origin of tourists, the Authority should identify major foreign languages and assess the requirement for Tourist Officers and guides in those languages as well as the stations where they are most needed.

Incentive to learn foreign language

122. With^a view to provide an incentive to Tourist Officers to learn other foreign languages, we recommend that on reaching a specified standard in a foreign language they should get the language allowance of Rs. 100/- p.m. at the elementary level and Rs. 250/= at the advanced level.

Appendix

EXISTING ORGANISATIONAL STRUCTURE AND FUNCTIONS

The Department of Tourism is an attached non-participating Office of the Ministry of Tourism and Civil Aviation and is headed by the Director-General. Although an Attached Office, the Department is both a policy-making and executive organisation and corresponds directly with other Ministries and Departments of the Central Government and State Governments. The activities of this Department fall under the following broad heads:

- (i) Publicity at home and abroad.
- (ii) Attending to postal and personal enquiries from tourists, tour operators, travel agents etc. and rendering necessary assistance to them.
- (iii) Development of tourist infra-structure and facilities either directly or in cooperation with other Ministries and the State Governments.
- (iv) Regulation of activities of various segments of travel trade.
- (v) Coordination with international travel and tourist organisations at Government and non-government level.
- (vi) Compilation of statistics and market research in respect of tourist traffic in India.

There are four regional offices each at Delhi, Bombay, Calcutta and Madras and six field offices at Jaipur,

Agra, Jammu, Srinagar, Banaras and Cochin. Overseas tourist offices have been established at New York, San Francisco, Chicago (sub-office of New York Office), Toronto, London, Paris, Frankfurt, Sydney, Tokyo; Geneva and Mexico City. The overseas tourist offices have been excluded from the purview of the survey team.

Headquarters

At the headquarters the Department has the following sections:

- (i) Planning
- (ii) Travel Trade
- (iii) Publicity and Information
- (iv) Administration
- (v) Research and Statistics.

Planning Section

The Planning Section consists of two units: one unit under Joint Director General with two Directors and three Assistant Directors; the second unit consists of Deputy Director General and one Assistant Director. The Directors and the Assistant Directors in the first unit are responsible for planning in their respective regions. They attend meetings of the working group (consisting of representatives of State Tourism Offices and other State Government offices,

representatives of Planning Commission, Department of Tourism and Finance) for the State Plans and represent the Department of Tourism in giving the suggestions for preparation of State plans relating to tourism. They receive proposals from different sources such as M.Ps., local representatives, social workers, Directors of Regional Offices and other persons interested in tourism. In preliminary examinations, they reject obviously unsuitable proposals and refer others to State Governments for recommendations on their appropriateness for inclusion in Central/State Tourism Plans. The State Governments examine the proposals referred to them and also submit suggestions of their own regarding schemes considered by them to be suitable for inclusion in Central Plans. They indicate particulars about the site where scheme is to be executed, its location, its accessibility and mode of transport available, the estimated cost and its present and potential importance as a tourism centre etc.

In the Central Department of Tourism the Directors/ Assistant Directors dealing with the State for which proposals are received examine the same in the light of policy guidelines, the priorities laid down and availability of funds for the programme under which the scheme fall and submit their views as to their appropriateness for inclusion/non-inclusion in the Five Year/Yearly Plan to the Joint Director General.

Travel Trade

The Travel Trade Section functioning under a Deputy Director General has two Directors, one for Hotels and the second for Promotion. The Director, Hotels, is assisted by one Assistant Accounts Officer and three Assistant Directors. The Director, Promotion, has three Assistant Directors working with him. The Section in general performs the following functions:

- (i) After referring reports from State Governments on suitability of site from the point of view of foreign tourists, examines and approves new hotel projects.
- (ii) Sponsors twice a year applications of Hoteliers and Car Operators etc. for import of stores and equipments including spare parts or second-hand imported cars to the Chief Controller of Imports and Exports.
- (iii) Determines and recommends foreign exchange allocation to hotels with reference to their starrage and bed capacity;
- (iv) Refers requests from hotel industry for employment of foreigners to the Department of Economic Affairs;
- (v) Investigates complaints against hotels from tourists and refers them to the hotels concerned for remedial actions/comments;
- (vi) Deals with other complaints such as those against customs authorities, shops etc. in a similar manner;
- (vii) Approves hotel tariffs;
- (viii) Processes applications for Hotel Loan Funds;
- (ix) Maintains liaison with travel agencies, shikar outfitters, guides, shops; and

- (x) Examines and approves applications for recommendation of travel agencies, car operators etc.

Publicity and Information Section

The Publicity Section is under a Deputy Director General who is assisted by one Director and five Assistant Directors. Broadly, the Publicity Section performs the following functions:

- (i) Offers hospitality to various categories of persons such as travel agents, airlines managers, sales managers, travel writers, photographers, T.V. Film Producers, etc. with a view to promote tourism in India and to help create better image for the country;
- (ii) Plans and formulates publicity and public relations programmes in India and abroad; and
- (iii) In collaboration with ITDC, produces tourists publicity literature for distribution to tourists offices, hoteliers, travel agents etc.

Statistics and Research Section

The Statistics and Research Section operates under the administrative control of Deputy Director General and direct supervision of a Senior Research Officer. The Section is primarily engaged in tabulating/processing statistical data taken from Embarkation/Disembarkation Cards and classifies such data in accordance with nationality, sex, age groups,

income groups, occupation, purpose of visit etc. It receives periodically statistical statements from Regional Tourists Offices. The Section collects information pertaining to tourists impressions and tourists expenditure through ad hoc sample surveys.

Administration Section

The Administration Section, under a Deputy Secretary, has two Section Officers and other supporting staff primarily responsible for house-keeping and establishment functions at the headquarters, regional and field offices.

Regional Offices

The Regional Offices at Bombay, Calcutta, Delhi and Madras are each headed by a Director who is assisted by 3 to 4 Assistant Directors, a number of Information Assistants and other supporting staff.

Whereas the Tourist Department at headquarters formulates policy, lays down the guidelines and takes up problems with other ministries on policy level, the actual implementation of tourist policies takes place through the Regional Offices. Some of the important functions performed by the Regional Offices are as follows:

- (i) The reception of foreign tourists at international airports and seaports; rendering assistance through

health, immigration and customs formalities; maintaining liaison with airlines, shipping companies, railway authorities, civil aviation, and port authorities, WIAA and State Transport Corporations in matters concerning tourism.

- (ii) Maintaining tourist information counters at all the important tourist centres, hotels, airports and seaport etc.
- (iii) Compiling of and bringing up-to-date tourist information in detail and disseminating the same to foreign and Indian tourists, to travel agents, airlines, etc. keeping the travel agents, airline offices and hotel counters with up-to-date tourist literature and display materials.
- (iv) Putting up attractive tourist displays at the airports, railway terminals and reservation offices, hotel lobbies and lounges etc.
- (v) Maintaining close contacts with hotels, car operators, travel agents etc. and looking into tourist complaints regarding these and rendering assistance in resolving disputes amicably with these.
- (vi) Inspection of existing and new travel agencies, car operators, shikar outfitters and shops patronised by tourists for extension of recognition or grant of initial recognition.

- (vii) Looking after the departmental guest (travel writers, travel editors, TV and travel film producers and travel agents etc.); arranging for them accommodation, sight-seeing tours, shopping and cultural entertainments etc.